GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:434
ANSWERED ON:14.08.2007
US-GSP PROGRAMME
Lagadapati Shri Rajagopal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the US Government has invited comments from India for giving trade benefits under its Generalised System of Preferences(GSP) Programme;

(b) if so, whether the Government has submitted its comments;

(c) if so, the details thereof;

(d) the details of benefits got by India in dollar terms, under US-GSP programme;

(e) whether the continuance of GSP has been taken up in the bilateral meetings held from time to time with US officials; and

(f) if so, the details of the outcome thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a)-Yes, Sir. The US GSP scheme provides for an annual review to examine whether the GSP benefit on specific product categories should be continued.The review is done on the basis of certain criteria determined every year. During the 2006 Review of the GSP programme, the United States Trade Representative (USTR) issued notices, inviting comments for the review of the GSP status of the following categories of items from India:-

(i)- Precious Metal articles of jewellery;

(ii)-Non electrical lamps and light fittings;

(ii)-Cucumbers including gherkins, prepared or preserved by vinegar or acetic acid;

(iv)-Hand hooked carpets and other textiles floor covering, tufted, whether or not made up, of wool or fine animal hair;

(v)-Color television reception apparatus, video display diagonal over 32.29 cm incorporating a VCR or a player;

(vi)-Other aromatic nitrile-function pesticides fast color bases and fast color salts, of diazo, azo or axoxy compounds;

(vii)- Wind powdered electric generating sets.

(b) and (c) Yes, Sir. India had submitted that for the product categories under the GSP review, most of the production took place in the small scale, cottage or agriculture sectors. India had also highlighted the adverse implications of the GSP withdrawal on the livelihoods of a large number of workers employed in these sectors.

(d)- India has been a beneficiary of the US-GSP programme since its inception in 1976. During 2006, US $ 5.67 billion worth of India`s export to the US enjoyed GSP benefits.

(e)&(f)- Yes, Sir. India has represented against the withdrawal of the GSP benefits. A petition had been filed in the office of the USTR with regard to jewellery and non-electrical lamps on September 5, 2006. An oral statement was made with regard to Cucumber, Hand hooked carpets and color television reception apparatus at the public hearing before the chairman of the GSP sub committee of the USTR on February 16, 2007. In addition, the government raised the issue in the India-US Trade Policy Forum meeting in April 2007. The US Government have decided to allow the continuation of GSP benefits to India on its exports of hand hooked carpets and other textile floor coverings.